LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6854
BILL NUMBER: HB 1298

NOTE PREPARED: Jan 8, 2011
BILL AMENDED:

SUBJECT: Regulation of Professional Licensing.

FIRST AUTHOR: Rep. Welch
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: <u>X</u> GENERAL
                   <u>X</u> DEDICATED
                      FEDERAL

IMPACT: State

Summary of Legislation: *Rules Without Fiscal Impact Statements-* The bill allows a proposed administrative rule to proceed in the rule making process without a fiscal impact statement if the Office of Management and Budget (OMB) does not complete the fiscal impact statement for the proposed rule in the 45 days allowed for action by the office.

Licensing Amnesty Program- The bill creates a one (1) year amnesty program for licensees who failed to renew their licenses. The bill creates the renewal amnesty program fund for fees collected under the amnesty program.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Licensing Amnesty Program-* The Professional Licensing Agency (PLA) would have to oversee an amnesty program that would allow licenses not renewed between January 1, 2000, and June 30, 2011, to be renewed as long as the license holders were eligible for renewal at the time they needed to renew. The amnesty program would have a duration of one fiscal year: July 1, 2011, to June 30, 2012.

The bill would charge an amnesty fee in addition to the standard renewal fee for the license for every qualifying person wishing to renew. The bill would create the Renewal Amnesty Program Fund (RAPF). The revenue from the amnesty fee would be deposited into the RAPF for the PLA to use to implement and oversee the amnesty program. *See Explanation of State Revenues.*

The amount of expenditures necessary to implement this provision is unknown and would depend on the

number of persons seeking license renewal under the proposed amnesty program.

Explanation of State Revenues: *Rules Without Fiscal Impact Statements-* This provision would allow a proposed rule to continue along the rule making process without delay past the 45-day OMB fiscal analysis deadline. This provision could allow professional boards and commissions to implement certification and licensing fee increases without the potential delay that an incomplete fiscal analysis could bring.

Licensing Amnesty Program- Each person with an unrenewed license wishing to renew, via the program, would have to pay a $100 amnesty fee. Amnesty fee revenue would be placed in the aforementioned RAPF. Revenue in the RAPF would not revert to the state General Fund at the end of a state fiscal year. The RAPF would be subject to General Assembly appropriations.

The amount of revenue the amnesty fee (to the RAPF) and regular renewal fees (to General Fund) could generate under this provision is unknown and would depend on the eligible number of persons applying.

Background Information- The following table provides the total number of licenses, by year, that were not renewed after their expiration date and would fall into the time frame of unrenewed licenses that could apply for renewal via the proposed amnesty program.

Calendar Year	Number of Licenses Expired and Not Renewed in Following Years
2000	26,043
2001	40,582
2002	37,813
2003	64,899
2004	64,235
2005	75,276
2006	67,815
2007	56,256
2008	90,889
2009	83,756
2010*	107,689
TOTAL	715,253
*Note many licenses listed in CY 2010, expired on Dec. 31, 2010, and could yet be late renewed within the next year.	

It is unknown, how many of these licenses would be eligible for renewal under the proposed amnesty program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of Management and Budget, Professional Licensing Agency, Treasurer of State.

Local Agencies Affected:

Information Sources: Professional Licensing Agency.

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